

**MINUTES OF WORKERS' COMPENSATION MEDICAL FEE ADVISORY BOARD  
JAMES R. THOMPSON BUILDING, 100 W. RANDOLPH ST #9-034, CHICAGO  
HELD ON AUGUST 24, 2010**

Present at the meeting:

Chairman Mitch Weisz  
Mr. John Smolk, United Airlines

Attending the meeting via conference call:

Dr. Jesse Butler, Spine Consultants  
Ms. Maddy Bowling, Maddy Bowling & Associates

Also attending:

Mr. Glen Boyle, Medical Fee Schedule Project Manager  
Mr. Mark Flannery, Caterpillar Inc.  
Ms. Amy Masters, Secretary of the Commission  
Mr. David Menchetti, Cullen, Haskins, Nicholson, & Menchetti  
Mr. Darrell Widen, Assistant General Counsel

Chairman Weisz called the meeting to order at 9:05 a.m.

In addition to meeting notice and agenda and minutes, the following documents were distributed to the board: IWCC Administrative Rules for out-of-state treatment; Illinois Workers' Compensation Act Section 8.2 related to out-of-state state procedures, treatments or service; 2011 National Physician Fee Schedule Relative Value File HCPCs examples and related formulas; Letter and attachments from BroadSpire regarding physician implant charge.

The minutes from the May 13, 2010 meeting were unanimously approved.

Chairman Weisz discussed a potential change in the way out-of-state providers are paid so that instead of being paid at the greater rate of 76% of charge or the out-of-state medical fee schedule, payment will be paid at the lesser rate. He explained this will ensure out-of-state providers are not paid at a rate greater than expected under their own state's fee schedule, if that state has a fee schedule. The board discussed neighboring states without fee schedules, incentives for employees to use in-state and out-of-state providers, usual and customary rates, establishing a unique geozip for out-of-state treatment, impact on access, and authority of the Illinois Workers' Compensation Act to impose a fee schedule on other states. Dr. Butler recommended an out-of-state geozip be created. Mr. John Smolk made a motion that the language "greater of" be changed to "lesser of" in Section 7110.90(g)(1) of the IWCC Administrative Rules and that a feasibility study of an out-of-state fee schedule be conducted, Ms. Maddy Bowling seconded the motion. Mr. Smolk and Ms. Bowling voted in favor of the motion, and Dr. Butler was opposed.

Next Chairman Weisz provided an update on the status of two emergency rules currently before JCAR. He indicated JCAR continued the review for 30 days, allowing time for the Commission to address the position of the Illinois Hospital Association.

Mr. Glen Boyle discussed charges for air transport, referencing a letter from the U.S. Department of Transportation indicating that while a State may set a fee schedule for treatment that occurs on an air ambulance, it does not have authority to set a fee schedule for actual use of an exempt air ambulance. The board discussed air transport costs, necessity of air transport, and access.

Mr. Glen Boyle discussed the creation of a crosswalk between old and new medical fee schedule codes, in order to set fees for new codes that currently default to 76 percent of charge (POC). He suggested utilizing the relative work value in the National Physician Fee Schedule Relative Value File. The method would establish a conversion factor from the historical charge data that was used to develop the existing fee schedule, and the conversion factor would be multiplied by the relative work value to establish a fee schedule amount for new codes. He noted a similar conversion factor was used to create the anesthesia fee schedule. The board discussed use of Medicare data, growing number of codes defaulting to 76POC, direct replacement of codes, relative value criteria, and statutory intent. Dr. Butler suggested that coding experts be consulted and a subcommittee be created reflecting all interests. Chairman Weisz indicated he would look to the Workers' Compensation Advisory Board and public members for additional feedback.

Chairman Weisz asked for feedback from board and public regarding the need to reduce the number of geozips. The board discussed administrative costs.

A suggestion was made to post new annual fees in September of each year to allow payers and providers time to update their systems.

Chairman Weisz asked to table discussion of a fee schedule application tool as Susan Piha has worked on this issue and was unable to attend the meeting. The board agreed.

Mr. Glen Boyle shared a bill submitted to him which included an implant charge from a physician. The board discussed the bill and appropriateness of physicians selling implant to patients. A suggestion was made that where disputes exist, that the payer at least provide what they believe is appropriate payment to physician.

With no further business and motion made, the meeting adjourned at 10:35 a. m.